

## CARER'S ALLOWANCE FACTSHEET

### Introduction

The information in this factsheet is intended to be a guide to the rules for Carer's Allowance and does not cover every circumstance. It is possible that some of the information is over simplified or may become inaccurate over time, for example because of changes to the law. Any rates shown are applicable from April 2018 to March 2019 and Blesma has made every effort to ensure that the information is correct at the time of publication.

### 1) What is Carer's Allowance?

Carer's Allowance is for people who regularly spend at least 35 hours a week caring for a severely disabled person. It is intended to compensate someone who is unable to work because they are a carer. However, some people may be able to carry out a small amount of work whilst caring.

The benefit is:

- Non means tested – any income (apart from earnings) and capital you have will not affect the claim
- Taxable
- Counted as income for means tested benefits. However, you would also have a carer premium included in the calculation (also referred to as the carer additional amount or carer element)

### 2) Who can claim Carer's Allowance?

You can claim Carer's Allowance if:

- You are aged 16 or over **and**
- You are 'regularly and substantially' caring for a severely disabled person **and**
- You are not in full time education (21 hours or more per week) **and**
- You are not gainfully employed **and**
- You are resident and present in the UK and have been for no less than 104 out of the last 156 weeks **and**
- You are not subject to immigration control

### 3) What is regularly and substantially caring?

To qualify for Carer's Allowance, you must be 'regularly and substantially' caring for a severely disabled person. You satisfy this requirement if you are caring for 35 or more hours per week. In addition, the cared for person must be receiving one of the following benefits:

- Personal Independence Payment daily living component
- Attendance Allowance
- Disability Living Allowance middle or highest rate care component
- Constant Attendance Allowance (of £69.90 or more) paid with Industrial Injuries Benefit or War Pension
- Armed Forces Independence Payment

Some points to note:

- The Carer's Allowance week runs from Sunday to Saturday. You must be caring for 35 hours or more each week. The hours cannot be averaged over a number of weeks
- The 35 hours must be satisfied by caring for one disabled person. The condition cannot be satisfied by adding together the hours spent in caring for two or more disabled people.
- Only one person can claim Carer's Allowance for looking after one disabled person, even if there are two or more carers who each spend 35 hours or more caring for the same person
- For each week that you receive Carer's Allowance you can receive a Class 1 national insurance credit which can protect your future benefit entitlement e.g. State Pension

#### **4) What is gainfully employed?**

You cannot claim Carer's Allowance if you are 'gainfully employed' as the benefit is awarded to recognise loss of earnings because you are not able to work due to caring for a disabled person. If your earnings are more than £120.00 per week you have no entitlement to Carer's Allowance. The Department for Work and Pensions can use its discretion to average earnings that vary from week to week over a suitable period. Other income, e.g. an occupational pension, is ignored. In determining your level of earnings, net earnings are taken into account after deduction of:

- Tax
- National Insurance
- 50% of any pension contribution
- Expenses that are wholly and exclusively incurred in the course of employment e.g. childcare and some travel costs

#### **5) How much is Carer's Allowance?**

Carer's Allowance is £64.60 per week.

Because Carer's Allowance is taxable, some carers may find that the combination of their annual income and their Carer's Allowances breaches their income tax threshold.

#### **6) How do other benefits you receive affect Carer's Allowance?**

Some benefits are available to compensate you for your inability to work due to unemployment, sickness, caring, pregnancy, bereavement and older age. These are known as earnings replacement benefits and you cannot normally receive more than one at a time.

You cannot be paid while you are receiving the same amount or more from:

- State Pension
- Maternity Allowance
- Incapacity Benefit or Unemployability Supplement
- Contributory Employment and Support Allowance
- Contribution based Jobseeker's Allowance
- Widows' benefits and Bereavement Benefits
- A state training allowance

This is known as the overlapping benefit rule. If you claim Carer's Allowance and the other benefit that you receive is worth more, you would not receive payment of Carer's Allowance

but would instead be allocated an 'underlying entitlement'. This can increase your entitlement to a means tested benefit, such as Pension Credit, income related Employment and Support Allowance or Housing Benefit (others can apply) as these include a carer premium within the benefit. Underlying entitlement to Carer's Allowance will not affect the cared for person's benefits.

If you are in receipt of Severe Disablement Allowance then this will overlap with Carer's Allowance. Normally Carer's Allowance is paid in full and topped up with any balance of Severe Disablement Allowance. However, if your Severe Disablement Allowance is the same amount or greater than Carer's Allowance, then you can ask for your Severe Disablement Allowance to be paid in full. The person you care for is then not excluded from the severe disability premium.

### **7) How is the cared for person's benefits affected?**

If the cared for person receives a means tested benefit that includes a severe disability premium in the calculation, they would lose this premium if you are paid Carer's Allowance. This could mean they may lose their entitlement to the means tested benefit completely or see a reduction of up to £64.30 per week.

If you have been awarded underlying entitlement to Carer's Allowance, the cared for person would not lose the severe disability premium. The severe disability premium can also be referred to as the severe disability addition.

### **8) What if I go into hospital or have a break in my caring role?**

Carer's Allowance rules allow for breaks in care of up to 12 weeks in any 26 week period. Carer's Allowance is payable for up to 12 weeks if you go into hospital. Up to four of the twelve weeks can be for temporary breaks in care e.g. a holiday. After this, you cannot be paid Carer's Allowance for any week that you do not provide at least 35 hours care.

If you are a new carer you must have been caring for the disabled person for a minimum of 22 weeks and the cared for person would need to receive a qualifying benefit to be covered by these rules.

### **9) What if the cared for person goes into hospital?**

If the cared for person goes into hospital, their qualifying benefit will stop after 28 days if they are aged 18 or over. Benefit may stop sooner if they have had periods in hospital separated by 28 days or less. Your Carer's Allowance will stop when their qualifying benefit stops.

Armed Forces Independence Payment does not stop if the cared for person goes into hospital. However, entitlement to Carer's Allowance may stop if you are no longer caring for 35 hours per week.

### **10) How do I claim?**

In order to make a claim, you will need to complete claim form DS700 or, if you get a State Pension, DS700(SP).

- If you live in England, Scotland or Wales, call the Carers Allowance Unit:  
Telephone: 0345 608 4321  
Textphone: 0345 604 5312 (for deaf and hard of hearing claimants only)  
To claim online: [www.gov.uk/carers-allowance/how-to-claim](http://www.gov.uk/carers-allowance/how-to-claim)
- If you live in Northern Ireland, call the Disability and Carers Service:  
Telephone: 0300 123 3356

Textphone: 028 9031 1092 (for deaf and hard of hearing claimants only)

To claim online: [www.nidirect.gov.uk/articles/carers-allowance-how-claim](http://www.nidirect.gov.uk/articles/carers-allowance-how-claim)

### **11) Backdating a claim**

If you were entitled to Carer's Allowance prior to claiming it then you can ask for it to be backdated for up to three months. You must satisfy the qualifying conditions over that period.

Your claim can be backdated over a longer period if you claim within three months of a decision to award the cared for person a qualifying benefit. Your Carer's Allowance would be backdated to the first day of the benefit week in which the qualifying benefit became payable. You will need to have satisfied the qualifying conditions over that period.

### **12) How do I challenge a decision?**

If your application is refused you can challenge the decision.

You can have three attempts to challenge a decision, but there is a strict process to follow. There is a one month time limit for you to register each stage of the process and you will need to follow each stage in order.

You should be notified in writing of any decisions made on your claim. The decision notice should set out your rights to challenge the decision. You can ask for written reasons for the decision if none were given in the decision notice. You must ask for these within one month of the date of the original decision notice.

Late challenges can be requested in certain circumstances. You will need to show it was not practical for you to apply in time and you should provide a clear and reasoned explanation for the delay. There is no guarantee that a late appeal will be accepted.

### **Mandatory reconsideration**

This is the first stage of challenging the decision. Within one month of the date on the notification letter you need to register the mandatory reconsideration. If you wish you can send in some extra supporting evidence such as a letter from yourself why you disagree with the decision or evidence from a medical professional. A mandatory reconsideration will result in the Department for Work and Pensions reviewing your award 'in house'. For Northern Ireland, they are considered by the relevant Social Security Agency.

### **Appeal to First Tier Tribunal**

If your mandatory reconsideration is unsuccessful then you have another opportunity to challenge the decision. This must be registered within one month of the date on the mandatory reconsideration revision letter. Her Majesty's Court and Tribunal Service is responsible for appeals in England, Scotland and Wales. In Northern Ireland it is the responsibility of The Appeals Service. Both are independent from either the Department for Work and Pensions or the Social Security Agency. You have the opportunity to have your case heard on paper or in person. There is a higher success rate if you attend in person. Appeals can take several months. However, if you are successful, the award is backdated to the date of your claim.

### **Appeal to the Upper Tribunal**

If your appeal to the first tier tribunal is unsuccessful you have another opportunity to challenge the decision through Her Majesty's Court and Tribunal Service, within one

month of the first tier tribunal notification of the decision. This appeal needs to be based on a point of law. As a result, these appeals can be complex and it would be advisable to seek specialist advice.